

Senate File 592 - Enrolled

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SENATE FILE 592

AN ACT

RELATING TO THE STREAMLINED SALES AND USE TAX AGREEMENT AND
ADMINISTRATION OF THE TAX AND RELATED LAWS BY THE
DEPARTMENT OF REVENUE, INCLUDING ADMINISTRATION OF SALES
AND USE TAXES, AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 423.1, subsection 52, Code 2007, is
amended to read as follows:

52. "State" means any state of the United States, ~~and the~~
District of Columbia, and Puerto Rico.

Sec. 2. Section 423.16, subsection 3, Code 2007, is
amended by striking the subsection.

Sec. 3. Section 423.33, subsection 1, Code 2007, is
amended to read as follows:

1. LIABILITY OF PURCHASER FOR SALES TAX. If a purchaser
fails to pay sales tax to the retailer required to collect the
tax, then in addition to all of the rights, obligations, and
remedies provided, the tax is payable by the purchaser
directly to the department, and sections 423.31, 423.32,
423.37, 423.38, 423.39, 423.40, 423.41, and 423.42 apply to
the purchaser. For failure to pay, the retailer and purchaser
are liable, unless the circumstances described in section
421.60, subsection 2, paragraph "m", section 423.34A, or
section 423.45, subsection 4, paragraph "b" or "e", or
subsection 5, paragraph "c" or "e", are applicable.

Sec. 4. NEW SECTION. 423.34A EXCLUSION FROM LIABILITY
FOR PURCHASERS.

A purchaser is relieved of liability for payment of state
sales or use tax, for payment of any local option sales tax,
for payment of interest, or for payment of any penalty for
nonpayment of tax which nonpayment is not fraudulent, willful,
or intentional, under the following circumstances:

1. The purchaser, the purchaser's seller or certified
service provider, or the purchaser holding a direct pay permit
relied on erroneous data contained in this state's taxability
matrix completed pursuant to the agreement.

2. The purchaser, the purchaser's seller or certified
service provider, or the purchaser holding a direct pay permit
relied on erroneous data provided by the state with regard to
tax rates, boundaries, or taxing jurisdiction assignments.

3. The purchaser used a database described in section
423.52, subsection 1, or section 423.55 and relied on
erroneous data about tax rates, boundaries, or taxing
jurisdiction assignments contained in that database.

Sec. 5. Section 423.57, Code 2007, is amended to read as
follows:

423.57 STATUTES APPLICABLE.

The director shall administer this subchapter as it relates
to the taxes imposed in this chapter in the same manner and
subject to all the provisions of, and all of the powers,
duties, authority, and restrictions contained in sections
423.14, 423.15, 423.16, 423.17, ~~423.18~~, 423.19, 423.20,
423.21, 423.22, 423.23, 423.24, 423.25, 423.28, 423.29,
423.31, 423.32, 423.33, 423.34, 423.35, 423.37, 423.38,
423.39, 423.40, 423.41, and 423.42, section 423.43, subsection
3, and sections 423.45, 423.46, and 423.47.

Sec. 6. Section 423.57, Code 2007, as amended by this Act,
is amended to read as follows:

423.57 STATUTES APPLICABLE.

The director shall administer this subchapter as it relates
to the taxes imposed in this chapter in the same manner and
subject to all the provisions of, and all of the powers,
duties, authority, and restrictions contained in sections
423.14, 423.15, 423.16, 423.17, 423.19, 423.20, 423.21,
423.22, 423.23, 423.24, 423.25, 423.28, 423.29, 423.31,
423.32, 423.33, 423.34, 423.34A, 423.35, 423.37, 423.38,
423.39, 423.40, 423.41, and 423.42, section 423.43, subsection
3, and sections 423.45, 423.46, and 423.47.

Sec. 7. Section 423.51, subsection 2, paragraph d, as

3 4 enacted by 2006 Iowa Acts, chapter 1158, section 77, is
3 5 amended by striking the paragraph.
3 6 Sec. 8. 2006 Iowa Acts, chapter 1158, section 71, is
3 7 repealed.
3 8 Sec. 9. Section 423.18, Code 2007, is repealed.
3 9 Sec. 10. EFFECTIVE DATE. The sections of this Act
3 10 amending section 423.33 and section 423.57, as amended by this
3 11 Act, and enacting section 423.34A take effect on January 1,
3 12 2009.

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3 16 _____
3 17 JOHN P. KIBBIE
3 18 President of the Senate

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3 21 PATRICK J. MURPHY
3 22 Speaker of the House

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3 24 I hereby certify that this bill originated in the Senate and
3 25 is known as Senate File 592, Eighty=second General Assembly.

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3 29 MICHAEL E. MARSHALL
3 30 Secretary of the Senate

3 31 Approved _____, 2007

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3 34 _____
3 35 CHESTER J. CULVER
4 1 Governor